

Exhibit G

KAPS & BARTO, ESQS.
15 Warren Street
Hackensack, New Jersey 07601
201-489-5277
Attorneys for Appellants

**UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY**

*In the Matter of an Appeal from USAC
Notices of Commitment Adjustments:*

FUTURE GENERATION, INC., a New Jersey corporation, MOTHER SETON PAROCHIAL SCHOOL, a not for profit educational institution, HOLY TRINITY SCHOOL, a not for profit educational institution, OUR LADY OF HELP CHRISTIANS SCHOOL, a not for profit educational institution, BLESSED SACRAMENT SCHOOL, a not for profit educational institution, ST. PATRICK SCHOOL, a not for profit educational institution into which institution has merged ASSUMPTION-ALL SAINTS SCHOOL, and ST. MARY'S HIGH SCHOOL, a not for profit educational institution,
Appellants.

*Appeal
from USAC Notices of
Commitment Adjustments*

AFFIDAVIT OF HOWARD GERBER

STATE OF NEW JERSEY }
 } ss.
COUNTY OF BERGEN }

HOWARD GERBER, having been duly sworn upon his oath, does hereby say:

1. I am the chief operating officer and Director of Technical Support for appellant Future

Our Lady of Good Counsel Elementary School

Our Lady of Help Christians School, FCC #12005054

St. Lucy's School, Newark, NJ, FCC #12005260

St. Mary's High School, FCC #12005294

St. Patrick School, Jersey City, NJ (into which Assumption - All Saints School has recently merged), FCC #12005310

4. Each of the above schools joins Future in appealing the USAC Commitment Adjustment Letters for 2003.
5. The facts of each school's appeal and of Future's appeal are largely identical. In each instance, the Commitment Adjustment Letters outlined above, relate that each institution's 2003, FCC Form 470, at Block 6, not only employs an incorrect email address for the applicant but, in fact, uses a technical services support address made available to the schools by Future, sld@futuregeninc.com. Based on this, USAC has sought to rescind the myriad Funding Requests cited in the tables above, reasoning that any applicant's Form 470 reference to a Future email address would taint the competitive bidding process mandated by FCC.

BLOCK 6 ERROR IS THE PRODUCT OF INADVERTENT MISTAKE

6. As explained to USAC in writing via letters to its investigator, Kelly Miller, each school has conceded that an honest mistake was made. Unfortunately, when asked for an e-mail address in their Form 470 application, the school staff innocently thought they should put the e-mail address set up at Future Generation for technical support. Since a majority of the funding requests pertain to hardware and software, they assumed that any technical questions the SLD had in relation to these items would best be answered by us. They misunderstood our

purpose of setting up this additional means of communication, and the purpose of the Block 6 request. They also overlooked the fact that service providers are not allowed to be involved on the applicant's behalf.

IMMEDIATE TERMINATION OF THE E-MAILBOX BY FUTURE

7. Significantly, though, once Future learned of the schools' Block 6 gaffe, it instantly understood the import for the bidding process and immediately terminated the mailbox to eliminate any involvement with their applications. We are aware of the rules and regulations the FCC sets forth and would not jeopardize our clients' funding by personally getting involved or influencing them in any way.
8. Future's best estimation of the creation of the email address in question is November 28, 2002, which is three or so days before the filing dates of the first of the Forms 470 submitted to USAC by the appellant schools. The schools' email designation error was first discovered by us on or about December 18, 2002, when Ms. Jarmulowicz of Our Lady of Good Counsel High School disclosed it to me during a casual conversation.
9. Immediately upon discovering the problem, Future terminated the email support address — that is, as noted above, on December 18, 2002. This means that the email address was only "in play" as part of the Forms 470 problem from December 1st through December 18th. The Form 470 submissions for Our Lady of Good Counsel High School and Elementary School were the final submissions to USAC using the incorrect email address.

NO QUERIES MADE THROUGH THE E-MAILBOX

10. Finally, and of equal significance, as the e-mail address was terminated immediately upon Future's awareness of its use, *no correspondence was ever received* through this address. No bidding queries were made, no questions were asked for bidding purposes, and, ironically, no product support questions were ever sent to us by the schools, their staff, or the Schools Libraries Division of USAC. Throughout its short existence, the Future Generation support email address was silent, dormant and served no useful purpose, let alone "tainting" the bidding process.

THIRD PARTY VENDOR BID INQUIRIES RECEIVED BY SCHOOLS

11. Moreover, Future's investigation has revealed that several of the school appellants had prepared their own informal RFPs — actually, lists of equipment and services — for purposes of dealing with vendors. Attached hereto at Exhibit A are copies of the documents obtained from Our Lady of Good Counsel High School, Our Lady of Good Counsel Elementary School, St. Patrick School, and Assumption - All Saints School.
12. Importantly, our investigation also learned that each of these USAC applicants, together with St. Lucy's School and Our Lady Help of Christians School, received verbal bid inquiries from potential vendors.
13. This is not surprising. Although the Future email address was inadvertently listed on the Form 470s as the preferred method of contact, most service providers engaged in our business would have immediately recognized that the email address was that of another provider and would have chosen to utilize another means of contact with the institution:

14. Accordingly, it cannot be said that there is any "taint" in the bidding with respect to these six schools — after all, they all received legitimate bid queries.

THE FINANCIAL HARDSHIPS USAC'S PENALTY WOULD IMPOSE

15. Finally, USAC must give due consideration to the enormity of what it has proposed. In each instance, Future delivered the goods and services to the schools. In fact, I understand that USAC's technology auditor, BearingPoint, has reviewed several of the schools and that no audit has resulted in any finding that Future failed to deliver the goods and services for which the schools contracted.
16. USAC is thus requesting that the appellant schools refund monies which they simply do not have and for which they were provided with goods and services. These schools are located in New Jersey's most urban and economically challenged communities, including Newark, East Orange, Union City and Jersey City. They already maintain a delicately balanced, hand-to-mouth financial existence which will be thrown off-kilter if forced to rebate monies already spent — let alone, nearly three years ago. This is far more financial hardship than the schools could ever deserve for having committed a naively innocent mistake.
17. Similarly, because of the amounts involved and because the goods and services have already been delivered and paid for, Future cannot afford to rebate the monies sought. By our calculation, the full amounts equal over \$700,000, an amount which will likely cause the dissolution of our company, put our personnel (including me) out of work, and, ultimately, diminish the competitive bidding environment which USAC seeks to foster.


18. While I understand that USAC is taking a hard look at our contracts with the schools, I would be remiss if I did not point out that we actually saved USAC funds in the 2003 funding year.
19. It is significant that adjustment (and loss) of the undisbursed commitments, another \$309,746.02, will not adversely affect the schools or Future.
20. There is often a time gap between the posting of approved funding work by the schools' Forms 471, and the time for deployment of the goods and services ordered thereby. In the case of the undisbursed commitments, work related to these Forms 471 funding requests were deemed excessive, unnecessary, obsolete or redundant by Future, in conjunction and consultation with the schools, when the time arrived for performance. Accordingly, the work set forth in the relevant Forms 471 was never done, charged or billed. The USAC funding was not needed and was never claimed by the schools or by Future in the billing process, representing a net savings to USAC of nearly \$310,000.
21. Future provided \$731,000 worth of goods and services related to the 2003 Forms 741, the schools received the goods and services, and USAC was billed only for what was delivered and not one penny more.
22. Therefore, USAC must take into consideration that the appellants, in the relevant year, actually turned away \$309,746.02 in approved funding, an action which would surely be at odds with any intent, plan or conspiracy aimed at achieving fraud or abuse of USAC funding.

23. Under all of these circumstances, I request that USAC either grant the appellants' appeals or, alternatively, grant a waiver with respect to the Block 6 error.



HOWARD GERBER

Sworn to and subscribed before me
this 27th day of August 2006.



Notary

BONNIE LYNN O'BRIEN
A Notary Public Of New Jersey
My Commission Expires September 16, 2007

***Assumption / All Saints
Internals for Funding Year 2003-2004***

Servers:

Web server, including operating system and appropriate licenses .

Terminal server, including operating system and appropriate licenses

Upgrade existing server with more RAM, additional hard drive

Wiring:

Upgrade existing wiring throughout the building

Expansion of wireless network, including wiring to support same

Upgrade existing switches/hubs

Other Equipment:

Tape Backup Unit

Video Conference Unit

Uninterruptable Power Supply (4)

Documentation:

Basic Network Documentation

Maintenance:

Maintenance Agreement

St. Patrick School
Internals for Funding Year 2003-2004

Web server, including operating system and appropriate licenses

Terminal server, including operating system and appropriate licenses

Upgrade existing server with more RAM, additional hard drive

Expansion of hard wiring throughout the building

Expansion of wireless network, including wiring to support same

Upgrade existing switches/hubs

Wiring cabinets/racks

Tape Backup Unit

Video Conference Unit

Documentation

Maintenance Agreement

**Our Lady of Good Counsel Elementary
Requests for Funding Year 6 (2003/2004)**

- ✓ Upgrade existing server with additional RAM, hard drive, etc.
- ✓ Upgrade existing wiring
- ✓ Install wireless
- ✓ Upgrade existing switches/hubs
- ✓ Tape Back Up
- ✓ Replace Power Supply in four wiring closets
- ✓ Software – 100 Client Access Licenses
- ✓ Video Conference Equipment
- ✓ New Phone System
- ✓ Maintenance Agreement

**Our Lady of Good Counsel H.S.
Requests for Funding Year 6 (2003/2004)**

- ✓ Server
- ✓ Upgrade existing server with additional RAM, hard drive, etc.
- ✓ Upgrade existing wiring
- ✓ Install wireless
- ✓ Upgrade existing switches/hubs
- ✓ Tape Back Up
- ✓ Video Conference Equipment
- ✓ New Phone System
- ✓ Maintenance Agreement

Exhibit H

KAPS & BARTO, ESQS.
15 Warren Street
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**UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY**

*In the Matter of an Appeal from USAC
Notices of Commitment Adjustments:*

FUTURE GENERATION, INC., a New Jersey corporation, MOTHER SETON PAROCHIAL SCHOOL, a not for profit educational institution, HOLY TRINITY SCHOOL, a not for profit educational institution, OUR LADY OF HELP CHRISTIANS SCHOOL, a not for profit educational institution, BLESSED SACRAMENT SCHOOL, a not for profit educational institution, and ST. PATRICK SCHOOL, a not for profit educational institution into which institution has merged ASSUMPTION-ALL SAINTS SCHOOL, ST. MARY'S HIGH SCHOOL, a not for profit educational institution,

Appellants.

*Appeal
from USAC Notices of
Commitment Adjustments*

**AFFIDAVIT OF
RAYMOND BARTO, ESQ.,
IN SUPPORT OF APPEAL**

STATE OF NEW JERSEY }
 } ss.
COUNTY OF BERGEN }

RAYMOND BARTO, having been duly sworn upon his oath, hereby deposes and says:

1. I am an attorney at law for the State of New Jersey and a member of the law firm of Kaps &

Barto, Esqs., counsel for the appellants identified in the above captioned matter. I make this affidavit in further support of our clients' appeal to the USAC, whereby they request, based upon a mere inadvertence and clerical mistake, that the USAC either withdraw its Commitment Adjustment notices for 2003 or, alternatively, grant a waiver with respect to our clients' errors in their 2002 postings of Forms 470.

2. To show the USAC the enormity of the consequences of its demand for refunding of its 2003 commitments to the appellant schools and Future Generation, Inc., my office has analyzed the various commitment adjustment notices. See Exhibit A appended hereto.
3. A summary of our work shows the following amounts to be "in play":

Total Original Funding Commitment to Appellants from USAC	\$1,040,772.85
Amount of Adjustment Demanded	\$1,040,772.85
Funds Actually Disbursed to Date to Appellants	\$731,026.83
Funds Which USAC Seeks to Recover	\$731,026.83

4. In each instance, the USAC notices of commitment adjustment essentially demand recovery from both the affected school and the service provider, Future Generation, Inc. Thus, in the case of Future Generation, the USAC demands amount to the fully disbursed funds, \$731,026.83, an amount which will not only prove a hardship but will likely be the financial undoing of the company.
5. In the case of the schools, even setting aside USAC commitments which were never funded, the amounts sought to be recovered are as follows:

Appellant School	Funds Disbursed and For Which Recovery is Sought
Assumption - All Saints	\$63,627.82
Blessed Sacrament	\$76,948.59
Holy Trinity	\$114,848.86
Mother Seton Interparochial	\$49,810.95
Our Lady of Good Counsel Elem.	\$84,834.79
Our Lady of Good Counsel H.S.	\$46,747.02
Our Lady Help of Christians	\$71,385.55
St. Lucy's	\$42,992.40
St. Mary's H.S.	\$95,256.68
St. Patrick	\$84,574.17
TOTAL:	\$731,026.83

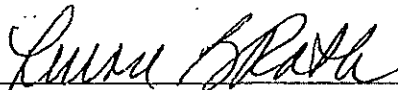
6. As the chart shows, each of the amounts at issue are not small by urban-center, parochial school standards where teacher salaries often start in the low to mid-\$20,000 range, and if recovery is demanded, there will be great hardship for my clients.
7. I understand that adjustment (and loss) of the undisbursed commitments, another \$309,746.02, will not affect the schools or Future. As set forth in the accompanying certification of Howard Gerber, there is often a time gap between the posting of approved funding work by the schools' Forms 471, and the time for deployment of the goods and services ordered thereby.
8. In the case of the undisbursed commitments, totaling \$309,746.02, work related to these Forms 471 funding requests were deemed excessive, unnecessary or redundant by Future, in conjunction and consultation with the schools, when the time arrived for performance.
9. Thus, USAC must take into consideration that the appellants, in the relevant year, actually

turned away \$309,746.02 in approved funding, an action which would surely be at odds with any intent, plan or conspiracy aimed at achieving fraud or abuse of USAC funding.



RAYMOND BARTO

Sworn to and subscribed before me
this 6th day of September 2006.



Notary

LENORE B. ROTH
A NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 02/20/2011

SCHOOLS FUNDING ADJUSTMENTS BY USAC 2003-2004

ST LUCY'S												
Funding Req #	970547	970549	970553	970556	970561	970566	970569	970572	970575	970576		Totals
Orig Funding Commitment	\$8,900.00	\$8,160.80	\$800.00	\$4,800.00	\$920.00	\$7,904.00	\$10,024.00	\$6,461.54	\$4,857.52	\$4,786.88		\$57,614.74
Amt of Adjustment	\$8,900.00	\$8,160.80	\$800.00	\$4,800.00	\$920.00	\$7,904.00	\$10,024.00	\$6,461.54	\$4,857.52	\$4,786.88		\$57,614.74
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Funds Disbursed to Date	\$8,900.00	\$0.00	\$800.00	\$4,800.00	\$920.00	\$7,904.00	\$10,024.00	\$0.00	\$4,857.52	\$4,786.88		\$42,992.40
Funds to be recovered	\$8,900.00	\$0.00	\$800.00	\$4,800.00	\$920.00	\$7,904.00	\$10,024.00	\$0.00	\$4,857.52	\$4,786.88		\$42,992.40
ST. PATRICK												
Funding Req #	966985	966986	966990	967000	967015	967026	967030	967039	967045	967049		
Orig Funding Commitment	\$10,341.00	\$5,400.00	\$1,035.00	\$16,110.00	\$10,384.61	\$13,500.00	\$2,154.10	\$1,077.05	\$3,114.00	\$2,988.00		
Amt of Adjustment	\$10,341.00	\$5,400.00	\$1,035.00	\$16,110.00	\$10,384.61	\$13,500.00	\$2,154.10	\$1,077.05	\$3,114.00	\$2,988.00		
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Funds Disbursed to Date	\$10,341.00	\$5,400.00	\$1,035.00	\$8,055.00	\$5,192.31	\$0.00	\$2,154.10	\$1,077.05	\$3,114.00	\$2,988.00		
Funds to be recovered	\$10,341.00	\$5,400.00	\$1,035.00	\$8,055.00	\$5,192.31	\$0.00	\$2,154.10	\$1,077.05	\$3,114.00	\$2,988.00		
												Totals
Funding Req #	967053	967057	967062	966978	966980	966983						
Orig Funding Commitment	\$5,464.71	\$900.00	\$8,820.90	\$10,799.10	\$8,892.00	\$10,341.00						\$111,321.47
Amt of Adjustment	\$5,464.71	\$900.00	\$8,820.90	\$10,799.10	\$8,892.00	\$10,341.00						\$111,321.47
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						\$0.00
Funds Disbursed to Date	\$5,464.71	\$900.00	\$8,820.90	\$10,799.10	\$8,892.00	\$10,341.00						\$84,574.17
Funds to be recovered	\$5,464.71	\$900.00	\$8,820.90	\$10,799.10	\$8,892.00	\$10,341.00						\$84,574.17
MOTHER SETON												
Funding Req #	965254	965264	965279	965283	965302	965316	965330	965358	965372	965387		
Orig Funding Commitment	\$5,464.71	\$900.00	\$2,988.00	\$5,385.24	\$13,590.00	\$34,269.23	\$53,163.00	\$9,180.00	\$4,050.00	\$1,035.00		
Amt of Adjustment	\$5,464.71	\$900.00	\$2,988.00	\$5,385.24	\$13,590.00	\$34,269.23	\$53,163.00	\$9,180.00	\$4,050.00	\$1,035.00		
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Funds Disbursed to Date	\$5,464.71	\$900.00	\$2,988.00	\$5,385.24	\$0.00	\$0.00	\$0.00	\$0.00	\$4,050.00	\$1,035.00		
Funds to be recovered	\$5,464.71	\$900.00	\$2,988.00	\$5,385.24	\$0.00	\$0.00	\$0.00	\$0.00	\$4,050.00	\$1,035.00		
												Totals
Funding Req #	965407	965426	965459									
Orig Funding Commitment	\$8,892.00	\$10,341.00	\$10,755.00									\$160,013.18
Amt of Adjustment	\$8,892.00	\$10,341.00	\$10,755.00									\$160,013.18
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00									\$0.00
Funds Disbursed to Date	\$8,892.00	\$10,341.00	\$10,755.00									\$49,810.95
Funds to be recovered	\$8,892.00	\$10,341.00	\$10,755.00									\$49,810.95

OUR LADY OF GOOD COUNSEL HS											
Funding Req #	967480	967488	967500	967510	967520	967532	967555	967568	967585		Totals
Orig Funding Commitment	\$920.00	\$2,400.00	\$20,048.00	\$12,923.07	\$1,914.75	\$4,857.52	\$9,520.00	\$8,160.80	\$3,583.98		\$64,328.12
Amt of Adjustment	\$920.00	\$2,400.00	\$20,048.00	\$12,923.07	\$1,914.75	\$4,857.52	\$9,520.00	\$8,160.80	\$3,583.98		\$64,328.12
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Funds Disbursed to Date	\$920.00	\$2,400.00	\$14,320.00	\$9,230.77	\$1,914.75	\$4,857.52	\$9,520.00	\$0.00	\$3,583.98		\$46,747.02
Funds to be recovered	\$920.00	\$2,400.00	\$14,320.00	\$9,230.77	\$1,914.75	\$4,857.52	\$9,520.00	\$0.00	\$3,583.98		\$46,747.02
OUR LADY OF GOOD COUNSEL ELEMENTARY											
Funding Req #	970667	970670	970672	970674	970676	970678	970680				Totals
Orig Funding Commitment	\$7,904.00	\$8,760.00	\$8,160.80	\$41,886.00	\$30,000.00	\$5,385.24	\$4,857.52				\$106,953.56
Amt of Adjustment	\$7,904.00	\$8,760.00	\$8,160.80	\$41,886.00	\$30,000.00	\$5,385.24	\$4,857.52				\$106,953.56
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				\$0.00
Funds Disbursed to Date	\$7,904.00	\$8,760.00	\$8,160.80	\$28,998.00	\$20,769.23	\$5,385.24	\$4,857.52				\$84,834.79
Funds to be recovered	\$7,904.00	\$8,760.00	\$8,160.80	\$28,998.00	\$20,769.23	\$5,385.24	\$4,857.52				\$84,834.79
BLESSED SACRAMENT											
Funding Req #	967162	967168	967175	967181	967194	967201	967208	967228	967238	967264	
Orig Funding Commitment	\$9,160.00	\$7,904.00	\$8,600.00	\$3,600.00	\$920.00	\$20,048.00	\$12,923.07	\$13,040.00	\$3,984.00	\$4,152.00	
Amt of Adjustment	\$9,160.00	\$7,904.00	\$8,600.00	\$3,600.00	\$920.00	\$20,048.00	\$12,923.07	\$13,040.00	\$3,984.00	\$4,152.00	
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Funds Disbursed to Date	\$9,160.00	\$7,904.00	\$8,600.00	\$3,600.00	\$920.00	\$20,048.00	\$12,923.07	\$0.00	\$3,984.00	\$4,152.00	
Funds to be recovered	\$9,160.00	\$7,904.00	\$8,600.00	\$3,600.00	\$920.00	\$20,048.00	\$12,923.07	\$0.00	\$3,984.00	\$4,152.00	
Funding Req #	967278	967295	967306								Totals
Orig Funding Commitment	\$800.00	\$4,857.52	\$8,160.80								\$98,149.39
Amt of Adjustment	\$800.00	\$4,857.52	\$8,160.80								\$98,149.39
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00								\$0.00
Funds Disbursed to Date	\$800.00	\$4,857.52	\$0.00								\$76,948.59
Funds to be recovered	\$800.00	\$4,857.52	\$0.00								\$76,948.59

OUR LADY HELP												
Funding Req #	965595	965603	965611	965620	965626	965656	965670	965685	965699	965713	965732	
Orig Funding Commitment	\$9,180.90	\$33,831.00	\$21,807.68	\$6,444.00	\$4,153.84	\$8,892.00	\$9,855.00	\$2,154.10	\$1,077.05	\$10,799.10	\$5,464.71	
Amt of Adjustment	\$9,180.90	\$33,831.00	\$21,807.68	\$6,444.00	\$4,153.84	\$8,892.00	\$9,855.00	\$2,154.10	\$1,077.05	\$10,799.10	\$5,464.71	
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Funds Disbursed to Date	\$0.00	\$0.00	\$21,807.68	\$0.00	\$4,153.84	\$8,892.00	\$9,855.00	\$2,154.10	\$1,077.05	\$9,719.19	\$5,464.71	
Funds to be recovered	\$0.00	\$0.00	\$21,807.68	\$0.00	\$4,153.84	\$8,892.00	\$9,855.00	\$2,154.10	\$1,077.05	\$9,719.19	\$5,464.71	
Funding Req #	965747	965774	965791	965814								Totals
Orig Funding Commitment	\$4,031.98	\$2,700.00	\$630.00	\$900.00								\$121,921.36
Amt of Adjustment	\$4,031.98	\$2,700.00	\$630.00	\$900.00								\$121,921.36
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00								\$0.00
Funds Disbursed to Date	\$4,031.98	\$2,700.00	\$630.00	\$900.00								\$71,385.55
Funds to be recovered	\$4,031.98	\$2,700.00	\$630.00	\$900.00								\$71,385.55
ASSUMPTION-ALL SAINTS												
Funding Req #	964519	964526	964534	964533	964560	964570	964580	964593	964603	964615		
Orig Funding Commitment	\$10,799.10	\$900.00	\$5,400.00	\$1,035.00	\$8,892.00	\$9,855.00	\$3,231.14	\$2,154.10	\$19,332.00	\$12,461.54		
Amt of Adjustment	\$10,799.10	\$900.00	\$5,400.00	\$1,035.00	\$8,892.00	\$9,855.00	\$3,231.14	\$2,154.10	\$19,332.00	\$12,461.54		
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Funds Disbursed to Date	\$10,799.10	\$900.00	\$5,400.00	\$1,035.00	\$8,892.00	\$9,855.00	\$3,231.14	\$2,154.10	\$9,666.00	\$6,230.77		
Funds to be recovered	\$10,799.10	\$900.00	\$5,400.00	\$1,035.00	\$8,892.00	\$9,855.00	\$3,231.14	\$2,154.10	\$9,666.00	\$6,230.77		
Funding Req #	964623	964633	964662									Totals
Orig Funding Commitment	\$13,500.00	\$5,464.71	\$9,180.90									\$102,205.49
Amt of Adjustment	\$13,500.00	\$5,464.71	\$9,180.90									\$102,205.49
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00									\$0.00
Funds Disbursed to Date	\$0.00	\$5,464.71	\$0.00									\$63,627.82
Funds to be recovered	\$0.00	\$5,464.71	\$0.00									\$63,627.82
ST MARY'S HS												
Funding Req #	970477	970480	970481	970483	970486	970487	970490	970491	970468	970471	970474	Totals
Orig Funding Commitment	\$19,332.00	\$12,461.54	\$13,050.00	\$5,385.24	\$15,120.00	\$9,180.90	\$4,482.00	\$900.00	\$11,610.00	\$2,700.00	\$1,035.00	\$95,256.68
Amt of Adjustment	\$19,332.00	\$12,461.54	\$13,050.00	\$5,385.24	\$15,120.00	\$9,180.90	\$4,482.00	\$900.00	\$11,610.00	\$2,700.00	\$1,035.00	\$95,256.68
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Funds Disbursed to Date	\$19,332.00	\$12,461.54	\$13,050.00	\$5,385.24	\$15,120.00	\$9,180.90	\$4,482.00	\$900.00	\$11,610.00	\$2,700.00	\$1,035.00	\$95,256.68
Funds to be recovered	\$19,332.00	\$12,461.54	\$13,050.00	\$5,385.24	\$15,120.00	\$9,180.90	\$4,482.00	\$900.00	\$11,610.00	\$2,700.00	\$1,035.00	\$95,256.68

HOLY TRINITY												
Funding Req #	964893	964905	964916	964926	965099	965110	965114	965128	965138	965150	965160	Totals
Orig Funding Commitment	\$7,904.00	\$9,192.00	\$22,153.84	\$19,200.00	\$34,368.00	\$3,829.50	\$2,656.00	\$2,768.00	\$7,920.00	\$4,857.52	\$8,160.00	\$123,008.86
Amt of Adjustment	\$7,904.00	\$9,192.00	\$22,153.84	\$19,200.00	\$34,368.00	\$3,829.50	\$2,656.00	\$2,768.00	\$7,920.00	\$4,857.52	\$8,160.00	\$123,008.86
Adjusted Funding Commitment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Funds Disbursed to Date	\$7,904.00	\$9,192.00	\$22,153.84	\$19,200.00	\$34,368.00	\$3,829.50	\$2,656.00	\$2,768.00	\$7,920.00	\$4,857.52	\$0.00	\$114,848.86
Funds to be recovered	\$7,904.00	\$9,192.00	\$22,153.84	\$19,200.00	\$34,368.00	\$3,829.50	\$2,656.00	\$2,768.00	\$7,920.00	\$4,857.52	\$0.00	\$114,848.86
SUMMARY												
Orig Funding Commitment	\$1,040,772.85											
Amt of Adjustment	\$1,040,772.85											
Funds Disbursed to Date	\$731,026.83											
Funds to be recovered	\$731,026.83											
Orig Funds Never Disbursed	\$309,746.02											

Exhibit I

FCC Form

Approval by OMB
3060-0806**470**

Schools and Libraries Universal Service Description of Services Requested and Certification Form

Estimated Average Burden Hours Per Response: 5.0 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator website and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before completing.

(To be completed by entity that will negotiate with providers.)

Block 1: Applicant Address and Identifications

(School, library, or consortium desiring Universal Service funding.)

Form 470 Application Number: 226380000440190			
Applicant's Form Identifier: 7671YR6W			
Application Status: INCOMPLETE			
Posting Date:			
Allowable Contract Date:			
Certification Received Date:			
1. Name of Applicant: HOLY TRINITY ELEMENTARY SCHOOL			
2. Funding Year: 07/01/2003 - 06/30/2004		3. Your Entity Number 7671	
4. Applicant's Street Address, P.O.Box, or Route Number			
a. Street 43 MAPLE AVE			
City HACKENSACK	State NJ	Zip Code 5Digit 07601	Zip Code 4Digit 4501
b. Telephone number (201) 489- 6870		c. Fax number (201) 489- 2981	
d. E-mail Address			
5. Type Of Applicant (Check only one box)			
<input type="radio"/> Library (including library system, library branch, or library consortium applying as a library)			
<input checked="" type="radio"/> Individual School (individual public or non-public school)			
<input type="radio"/> School District (LEA; public or non-public [e.g., diocesan] local district representing multiple schools)			
<input type="radio"/> Consortium (intermediate service agencies, states, state networks, special consortia)			
6a. Contact Person's Name: Sr. Janet Roddy			
6b. Street Address, P.O.Box, or Route Number (if different from Item 4)			
<input checked="" type="radio"/> 43 MAPLE AVE			

City HACKENSACK	State NJ	Zip Code 5Digit 07601	Zip Code 4Digit 4501
<input type="radio"/> 6c. Telephone Number (10 digits + ext.) (201) 489- 6870			
<input type="radio"/> 6d. Fax Number (10 digits) (201) 489- 2981			
<input checked="" type="radio"/> 6e. E-mail Address (50 characters max.) sld@futuregeninc.com			

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):

a. ☐ Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.

b. ☐ Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.

c. ☒ Services for which a new written contract is sought for the funding year in Item 2.

d. ☐ A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.

NOTE: Services that are covered by a qualified contract for all or part of the funding year in Item 2 do NOT require filing of Form 470. A qualified contract is a signed, written contract executed pursuant to posting a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract.

8 ☐ Telecommunications Services
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☐ YES, I have an RFP. Choose one of the following: It is available on the Web at or via ☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☐ NO, I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity(e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Telecommunications Services, and remember that only common carrier telecommunications companies can provide these services under the universal service support mechanism. Add additional lines if needed.

9 ☐ Internet Access
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☐ YES, I have an RFP. Choose one of the following: It is available on the Web at or via ☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☐ NO, I do not have an RFP for these services.

If you answered NO, you must list below the Internet Access Services you seek. Specify each service or function (e.g., monthly Internet service) and quantity and/or capacity(e.g., for 500 users). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internet Access Services. Add additional lines if needed.

10 ☒ Internal Connections
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a ☒ YES, I have an RFP. Choose one of the following: It is available on the Web at _____ or via ☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b ☒ NO, I do not have an RFP for these services.

If you answered NO, you must list below the Internal Connections Services you seek. Specify each service or function (e.g., local area network) and quantity and/or capacity (e.g., connecting 10 rooms and 300 computers at 56Kbps or better). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internal Connections Services. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
Server	2
Wiring	Site
Wireless	Site
Hubs / Switches	100BaseT or Better
Wiring Cabinets / Racks	Site
Maintenance Agreement	1 Year
Backup	DLT
Video Conference Equipment	1 Unit
Documentation of Network Infrastructure	Site

11(Optional) Please name the person on your staff or project who can provide additional technical details or answer specific questions from service providers about the services you are seeking. This need not be the contact person listed in Item 6 nor the signer of this form.

Name: _____ Title: _____

Telephone number (10 digits + ext.)
() - -

Fax number
() -

E-mail Address (50 characters max.)

12. ☐ Check here if there are any restrictions imposed by state or local laws or regulations on how or when providers may contact you or on other bidding procedures. Please describe below any such restrictions or procedures, and/or give Web address where they are posted.

13. (Optional) Purchases in future years: If you have plans to purchase additional services in future years, or expect to seek new contracts for existing services, summarize below (including the likely time-frames).

Block 3: Technology Assessment

14. ☐ Basic telephone service only: If your application is for basic local and/or long distance telephone service (wireline or wireless) only, check this box and skip to Item 16

15. Although the following services and facilities are ineligible for support, they are usually necessary to make effective use of the eligible services requested in this application. Unless you indicated in Item 14 that your application is ONLY for basic telephone service, you must check at least one box in (a) through (e). You may provide details for purchases being sought.

a. Desktop communications software: Software required ☒ has been purchased; and/or ☒ is being sought.

b. Electrical systems: ☒ adequate electrical capacity is in place or has already been arranged; and/or ☒ upgrading for additional electrical capacity is being sought.

c. Computers: a sufficient quantity of computers ☒ has been purchased; and/or ☒ is being sought.

- d. Computer hardware maintenance: adequate arrangements ☒ have been made; and/or ☒ are being sought.
- e. Staff development: ☒ all staff have had an appropriate level of training or additional training has already been scheduled; and/or ☒ training is being sought.
- f. Additional details: Use this space to provide additional details to help providers to identify the services you desire.

Block 4: Recipients of Service

16. Eligible Entities That Will Receive Service:

Check the ONE choice that best describes this application and the eligible entities that will receive the services described in this application.

You must select a state if (b) or (c) is selected:

a. ☒ Individual school or single-site library: Check here, and enter the billed entity in Item 17.

b. ☐ Statewide application (check all that apply):

- ☐ All public schools/districts in the state:
☐ All non-public schools in the state:
☐ All libraries in the state:

If your statewide application includes INELIGIBLE entities, check here. ☐ If checked, complete Item 18.

c. ☐ School district, library system, or consortium application to serve multiple eligible entities:

Number of eligible entities	
<i>For these eligible entities, please provide the following</i>	
Area Codes (list each unique area code)	Prefixes associated with each area code (first 3 digits of phone number) separate with commas, leave no spaces
If your application includes INELIGIBLE entities, check here. <input type="checkbox"/> If checked, complete Item 18.	

17. Billed Entities

Entity Name	Entity Number
HOLY TRINITY ELEMENTARY SCHOOL	7671

18. Ineligible Entities**Ineligible Participating
Entity****Entity
Number****Area
Code****Prefix****Block 5: Certification****19. The applicant includes:(Check one or both)**

- a. ☒ schools under the statutory definitions of elementary and secondary schools found in the Elementary and Secondary Education Act of 1965, 20 U.S.C. Secs. 8801(14) and (25), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- b. ☐ libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any school (including, but not limited to) elementary and secondary schools, colleges and universities.

20. All of the individual schools, libraries, and library consortia receiving services under this application are covered by:

- a. ☒ individual technology plans for using the services requested in the application
- b. ☐ higher-level technology plans for using the services requested in the application
- c. ☐ no technology plan needed; application requests basic local and/or long distance telephone service only.

21. Status of technology plans (if representing multiple entities with mixed technology plan status, check both a and b):

- a. ☐ technology plan(s) has/have been approved by a state or other authorized body.
- b. ☒ technology plan(s) will be approved by a state or other authorized body.
- c. ☐ no technology plan needed; application requests basic local and/or long distance telephone service only.

22. ☒ I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

23. ☒ I recognize that support under this support mechanism is conditional upon the school(s) or library(ies) I represent securing access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to use the services purchased effectively.

24. ☒ I certify that I am authorized to submit this request on behalf of the above-named entities, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

25. Signature of authorized person: ☐

26. Date (mm/dd/yyyy):

27. Printed name of authorized person: Sr. Janet Roddy

28. Title or position of authorized person: Principal

29. Telephone number of authorized person: (201) 489 - 6870 ext.

Case File Review

Exhibit J

MOTHER SETON INTERPAROCHIAL SHOOOL
1501 New York Avenue
Union City, New Jersey 07087

Phone: 201-863-8433

Caritas Christi Urget Nos

Fax: 201-863-8145

July 3, 2006

TO: Kelly Miller
FROM: Mary P. McErlaine
RE: Application #460618

Ms. Miller:

I am in receipt of your faxed received on June 21, 2006 asking me about an e-mail address entered on our Application #460618. The e-mail address in question being, sld@futuregeninc.com was actually entered as a technical contract address we use to communicate with Future Generation. This address was set up as an additional means of contacting our support company with any questions we need answered during the application process with regard to our exciting network environment. Since the entire e-rate process relates to technology and equipment, I thought it best to include a technical contact in this block. I did not fully understand that this needed to be an address associated with the school itself, and not one of the service provider.

All future applications reflect my personal e-mail address of mcerlaine@yahoo.com.

Thank you for your understanding in this matter.

Exhibit K



Our Lady of Good Counsel High School

Accredited by Middle States Association of Colleges and Schools

TO: Kelly Miller
Program Compliance 2
Schools & Libraries Division

FROM: Ania Jarmulowicz, Vice Principal
Our Lady of Good Counsel Schools

RE: E-RATE Application #358346

DATE: June 27, 2006

Ms. Miller,

This is in response to your request for information pertaining to our Form 470 Application #762470000443379 for Funding Year 2003. The concern stated in your fax is questioning why Block 6 of our application includes a Future Generation e-mail address (sld@futuregeninc.com). The reason why an e-mail address belonging to Future Generation was entered on our application is simply due to a misunderstanding of its purpose, and miscommunication between Future Generation and us.

Future Generation offers technical support and maintenance for Our Lady of Good Counsel Schools. Assuming the technical questions would arise regarding our present network configuration, and that Future Generation would be equipped to answer such questions, we requested that Future Generation provide us with a contact e-mail address for this purpose. They created a separate address for this technical purpose, and provided it to us. Once again, they and we thought it was for technical questions regarding our existing network, not for questions relating to future bids. We placed this address in Block 6 for this purpose.

We failed to understand that this e-mail address could be used in relation to the bidding process, which was not our intention. We truly misunderstood the purpose of this e-mail address, and its use in this block. In addition, after Future Generation learned that this e-mail address was cited in our application, they shut the address down to avoid any conflict of interest between a service provider and applicant. This was early in our E-Rate experiences. With the submission of each application, we gain a better understanding of what is actually being requested and hope to avoid supplying any incorrect information on future application. We apologize for this error, but caught it very early and prevented any conflict whatsoever, as Future Generation had no communication on our behalf.

Should you need additional information, please feel free to contact me at any time.

Sincerely,

Ania Jarmulowicz

Our Lady of Good Counsel High School • 243 Woodside Ave, Newark, NJ 07104 • Phone: (973) 482-1209, Fax: (973) 482-4321

Exhibit L

ST. PATRICK SCHOOL
509 BRAMHALL AVENUE
JERSEY CITY, NJ 07304
(201) 433-4664 FAX (201) 433-0935

TO: Kelly Miller
Schools & Libraries Division

FROM: Pat West
St. Patrick School

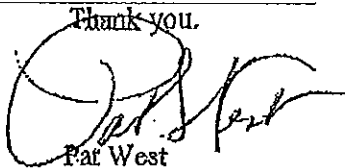
RE: E-rate Application #358142

Dear Kelly:

This is in response to correspondence received on June 21, 2006 with regard to our Form 470 application for funding year 2003. Please be advised that the following email address, sld@futuregeninc.com was used in error. In checking back through my files, I see that the application process for the 2003 funding year was started around the same time that Future Generation had created a "technical support" email address for their clients to use. This was meant as a means of communication to answer any questions during the application process regarding our existing infrastructure, which they maintain. Having not given it much thought, I simply put a technical contact email address in the application instead of my St. Patrick email address.

May I kindly ask that you update your records to reflect my personal email address of, pwest@stpats-school.org. Please feel free to contact me if you have any further questions.

Thank you.



Pat West

Exhibit M

ST. MARY HIGH SCHOOL
209 THIRD STREET
JERSEY CITY, NJ 07302
201-656-8008 FAX# 201-653-4518

SAINT MARY HIGH SCHOOL IS A CATHOLIC, COED COMMUNITY WHOSE MISSION IS TO
PROVIDE ITS ECONOMICALLY DISADVANTAGED YET RICHLY DIVERSE POPULATION WITH
EDUCATIONAL OPPORTUNITIES IN PREPARATION FOR HIGHER EDUCATION, VARIED CAREER
CHOICES, AND THE ACHIEVEMENT OF PERSONAL EXCELLENCE AS SOCIALLY RESPONSIBLE
CITIZENS. (MISSION STATEMENT DEC. 2000)

To: KELLY MILLER
PROGRAM COMPLIANCE
SCHOOLS & LIBRARIES DIVISION

From: BEATRIZ ESTEBAN
ST. MARY H.S. Jersey City 07302

Re: E-RATE APPLICATION # 359171

July 7, 2006

Dear Ms. Miller,

Please accept my apologies in entering an incorrect e-mail address on our Form 470 application for the 2003 funding year. ..

I inadvertently used an e-mail address that is assigned to us for technical support. Knowing most of the application process pertains to hardware/software and technology in general, Future Generation set up an e-mail address for their clients to ask any technical questions in relation to their existing network which may arise during the e-rate filing process. I thought it best to have any correspondence between the SLD and us go to this specific e-mail account. Understanding the importance of timely responses to the SLD, I chose to use this e-mail address so as not to overlook any important requests made during the application process. Unfortunately, I did not realize at the time that this e-mail address was designed for use between us and our technical support company to explain questions we may have about our network so that we could better understand and answer any questions the SLD may ask. This was not meant to be a means of contact between the SLD and Future Generation directly.

Please feel free to contact me if you have any additional questions. Thank you.

Sincerely yours,


Beatriz Esteban

Exhibit N

BLESSED SACRAMENT SCHOOL

600 Clinton Avenue
Newark, New Jersey 07108
973-824-5859 Phone
973-824-2304 Fax
blessacsch@yahoo.com

Office of the Director

July 19th, 06

Dear Ms. Miller;

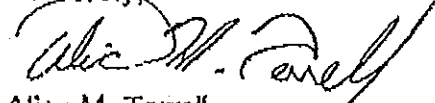
I am in receipt of a second request for information pertaining to our Form 470 application for the 2003 funding year.

First, please be advised that your fax dated July 11 is the first time I received this request, and did not receive the original correspondence sent on June 21. Secondly, please adjust your records to show myself being current principal at Blessed Sacrament School.

This brings me to my next explanation. I became principal of Blessed Sacrament starting with the 2005/2006 school year. Mr. Nathaniel L. Potts was principal prior to my employment and therefore was the contact person for the 2003 application process. Unfortunately, I have no contact information for Mr. Potts to further discuss the request for information you are asking for. However, in speaking with my staff they seem to recall that specific e-mail address(slid@futuregeninc.com). Their understanding was that this was an e-mail address set up by Future Generation (our support company at the time) to communicate questions back and forth pertaining to our network environment at that time and to better understand any questions asked of us from the SLD communicating directly with Future Generation.

I wish I could be of more help; unfortunately, I was not the person to complete the 2003 application and can only supply the information available to me at this time.

Sincerely,



Alice M. Terrell
Principal

Exhibit O

Holy Trinity School

*43 Maple Avenue
Hackensack, NJ 07601
201-489-6870 Fax: 201-489-2981*

June 30, 2006

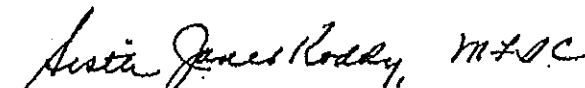
Kelly Miller
Program Compliance
USAC Schools & Libraries Division
Fax: 1-973-599-6582

Dear Ms. Miller:

I am responding to your fax dated 6/21/06 regarding our 2003 E-Rate application # 454997. Please accept our apologies in the confusion of entering an e-mail address belonging to Future Generation as a means of contact. I seem to recall having many issues with my personal e-mail address at the time the 470 application process started, and was hesitant to provide that e-mail as a means of contact. Therefore, I supplied an e-mail address set up by Future Generation for technical support between us and them to answer questions regarding our existing infrastructure which they have maintained for us on an as-needed basis.

Please note that the e-mail address indicated on my application, sld@futuregeninc.com is no longer in existence. If for some reason you need to have an accurate e-mail on record for me, please use jircog@aol.com. Again, I am sorry for any inconvenience this may have caused.

Sincerely,



Sister Janet Roddy, MFIC
Principal

Exhibit P

- *Future Generation Inc.* -

*Computer Consulting
Services*



*Don't Let Technology
Pass You By*

700 Kinderkamack Rd. Suite 108 Oradell, NJ 07649
E-mail: info@futuregeninc.com

201-265-6411
Fax: 201-265-6411

TO: KELLY MILLER
PROG COMPLIANCE 2
SCHOOLS & LIBRARIES DIVISION

FROM: HOWARD GERBER
Future Generation

RE: ATTACHED

DATE: July 19, 2006

Kelly,

It has been brought to our attention that several clients of ours are in receipt of a fax from you regarding their Form 470 Application for Funding Year 2003. The concern stated in your fax questions why Block 6 of their Form 470 includes a Future Generation e-mail address (sld@futuregeninc.com). We would like to expand on any information our clients may have already offered.

Future Generation has a very close working relationship with our clients. They look to us not only for technical support, but also for support in general. When faced with situations or questions they are not comfortable with, they look to us for guidance. In many cases, the schools receive numerous technical requests from various sources pertaining to their existing network infrastructure. Having been the support provider for these schools, Future Generation was most familiar with the network in place at the time they prepared the 470 applications. Several less technical clients inquired with us about the technicalities and limitations of their present environment at that time, and stated they required timely responses due to the nature of the E-Rate process, and needed to determine their additional requirements prior to filing their 470 forms. As their questions were numerous, and consistent for a period, we created a separate e-mail address (sld@futuregeninc.com). The purpose of this address was for schools to ask technical questions relating to their present environment. Also, this "specific" e-mail box would be treated as time sensitive by our staff, so as to comply with our clients' requests for a quick response. We receive a great deal of general e-mail and technical questions that are not time-sensitive in nature. The segregated mailbox allowed for the prioritization that the schools requested. This was meant to be a means of communication between our clients and us for questions about their present environment, such as the capacity of their

network, servers, bandwidth, hard drive space, speed / usage limitations, etc. It was NOT meant to be a means for the SLD, or potential vendors, to communicate with Future Generation, or the applicants.

Unfortunately, when asked for an e-mail address in their Form 470 application, they innocently thought they should put the e-mail address set up at Future Generation for technical support. Since a majority of the funding requests pertain to hardware and software, they assumed that any technical questions the SLD had in relation to these items would best be answered by us. They misunderstood our purpose of setting up this additional means of communication, and the purpose of the Block 6 request. They also overlooked the fact that service providers are not allowed to be involved on the applicant's behalf. When it came to our attention through some of these schools that they had listed this e-mail address on the application, we immediately terminated the mailbox to eliminate any involvement with their application. We are aware of the rules and regulations the FCC sets forth and would not jeopardize our client's funding by personally getting involved or influencing them in any way. We simply wanted to give our clients the opportunity to communicate any questions they had about their existing network so that they could respond to any requests for information from the SLD as timely and accurately as possible. Once again, I must reiterate that neither Future Generation nor any of its staff had any involvement in the preparation of, or content provided in, any 470 application, nor did we have any contact with any vendor / potential vendor. As the e-mail address was terminated immediately upon our awareness of its use, no correspondence was received through this address.

It is our hope that the above explanation resolves any confusion as to Future Generation's involvement with the Form 470 process. Again, we understand and respect the rules and regulations of the e-rate filing process and would never fail to comply with these regulations; therefore, we thought it best to clarify our lack of involvement personally.

Exhibit Q

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)	
)	
Request for Review of)	
Decisions of the)	
Universal Service Administrator by)	
)	
Assumption-All Saints School, <i>et al.</i>)	SLD File Nos. 357472, <i>et al.</i>
Jersey City, New Jersey)	
)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	

ORDER

Adopted: August 10, 2012

Released: August 10, 2012

By the Chief, Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Consistent with precedent,¹ we deny an appeal filed by 10 applicants and their service provider, Future Generation, Inc. (collectively, petitioners)² seeking review of decisions of the Universal Service Administrative Company (USAC) under the E-rate program (more formally known as the schools and libraries universal service support program) for funding year 2003.³ In each decision, USAC found that by providing an e-mail address affiliated with their selected service provider, Future Generation, on their FCC Forms 470, the applicants tainted the competitive bidding process.⁴ USAC subsequently issued commitment adjustment (COMAD) letters rescinding the applicants' funding commitments.⁵

¹ See *Request for Review by Mastermind Internet Services, Inc., Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, 16 FCC Rcd 4028, 4033, para.10 (stating that "the contact person exerts great influence over an applicant's competitive bidding process by controlling the dissemination of information regarding the services requested...when an applicant delegates that power to an entity that also will participate in the bidding process as a prospective service provider, the applicant irreparably impairs its ability to hold a fair and open competitive bidding process," and concluding "that a violation of the Commission's competitive bidding requirements has occurred where a service provider that is listed as the contact person on the Form 470 also participates in the competitive bidding process as a bidder") (*Mastermind Order*).

² See Letter from Raymond Barto, Kaps & Barto, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-6 (dated Dec. 22, 2006) (Request for Review); Appendix.

³ Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of USAC may seek review from the Commission. 47 C.F.R. § 54.719(c).

⁴ See, e.g., Letter from USAC, Schools and Libraries Division, to Raymond Barto, St. Mary High School (dated Nov. 16, 2006).

⁵ In the *Commitment Adjustment Implementation Order*, the Commission established procedures to recover funds disbursed to parties that obtained the funds in violation of the Commission's E-rate program. See *Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, 97-21, 96-45, Order, 15 FCC Rcd 22975 (2001). Subsequently, in the *Schools and Libraries Fourth Report* (continued...)

2. In accordance with the Commission's competitive bidding rules, applicants must submit to USAC for posting to USAC's website an FCC Form 470, which describes the applicants planned service requirements and information regarding the applicant's competitive bidding process.⁶ The FCC Form 470 must be completed by the entity that will negotiate with prospective service providers and the applicant must name a person whom prospective service providers may contact for additional information.⁷ The competitive bidding process must be fair and open, not compromised because of improper conduct by the applicant and/or the service provider, and all potential bidders must have access to the same information and must be treated the same throughout the bidding procurement process.⁸ In this case, Future Generations was a service provider for each of the applicants and the ultimate winner in the competitive bidding process involving each of the applications at issue in this appeal. In each instance, the applicants provided Future Generation's email address as the preferred method for contacting the applicant on the relevant FCC Forms 470.⁹

3. The Commission has previously determined that a violation of the Commission's competitive bidding requirements occurs when a service provider is listed as the contact person on the FCC Form 470 and also participates in the competitive bidding process as a bidder.¹⁰ Consistent with that precedent, we find that by listing an email address affiliated with Future Generation and by instructing potential bidders to contact Future Generations, concerning their E-rate applications, each applicant committed a violation of the Commission's competitive bidding requirements. We therefore deny the request for review and direct USAC to continue recovery actions against the party or parties responsible for the violation.

4. ACCORDINGLY, IT IS ORDERED, pursuant to the authority contained in sections 1-4

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and Order, the Commission modified the rules governing COMAD recovery actions to allow USAC to pursue recovery actions against the party responsible for the violation such as the school, library, or service provider. See *Federal-State Joint Board on Universal Service, Changes to the Board of Directors for the National Exchange Carrier Association, Inc., Schools and Libraries Universal Service Support Mechanism*, CC Docket Nos. 96-45, 97-21 and 02-6, Order on Reconsideration and Fourth Report and Order, 19 FCC Rcd 15252, 15255-15257, para. 10-15 (2004). The Commission stated that the modified rules should apply to COMAD recovery actions that were under appeal to USAC or the Commission. See *id.* at 15255-15256, para. 10.

⁶ 47 C.F.R. § 54.503, see Instructions for Completing the Schools and Libraries Universal Service Description of Services Requested and Certification Form, OMB 3060-0806 (April 2002) (FCC Form 470).

⁷ See FCC Form 470.

⁸ See, e.g., *Schools and Libraries Universal Service Support Mechanism*, Third Report and Order and Second Further Notice of Proposed Rulemaking, CC Docket No. 02-6, 18 FCC Rcd 26912, 26939, para. 66 (stating that a fair and open competitive bidding process is critical to preventing waste, fraud, and abuse of program resources); See *Mastermind Order*, 16 FCC Rcd at 4033, para. 10 (finding that the FCC Form 470 contact person influences an applicant's competitive bidding process by controlling the dissemination of information regarding the services requested and, when an applicant delegates that power to an entity that also participates in the bidding process as a prospective service provider, the applicant impairs its ability to hold a fair competitive bidding process); *Request for Review by Approach Learning and Assessment Center, Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, 22 FCC Rcd 5296, 5303, para. 19 (Wireline Comp. Bur. 2007) (finding that service provider participation may have suppressed fair and open competitive bidding). See *Schools and Libraries Universal Service Support Mechanism and A National Broadband Plan for Our Future*, Sixth Report and Order, CC Docket 02-6, 25 FCC Rcd 18762, 18798-800, paras. 85-86 (2010) (codifying the existing requirement that the E-rate competitive bidding process be fair and open); 47 C.F.R. § 54.503.

⁹ See e.g., FCC Form 470, St. Patrick School (dated Dec. 5, 2002).

¹⁰ *Mastermind Order*, 16 FCC Rcd at 4033, para. 10.

and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 54.722(a), that the request for review filed by the petitioners listed in the Appendix IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader
Chief
Telecommunications Access Policy Division
Wireline Competition Bureau

APPENDIX

Petitioner	Application Number	Funding Year	Date Appeal Filed
Assumption-All Saints School Jersey City, New Jersey	357472	2003	Dec. 22, 2006
Blessed Sacrament School Newark, New Jersey	358234	2003	Dec. 22, 2006
Holy Trinity Elementary School Hackensack, New Jersey	357557	2003	Dec. 22, 2006
Mother Seton Parochial School Union City, New Jersey	357662	2003	Dec. 22, 2006
Our Lady Help of Christians School East Orange, New Jersey	357752	2003	Dec. 22, 2006
Our Lady of Good Counsel Elementary School Newark, New Jersey	359187	2003	Dec. 22, 2006
Our Lady of Good Counsel Schools Newark, New Jersey	358346	2003	Dec. 22, 2006
St. Lucy's School Newark, New Jersey	359178	2003	Dec. 22, 2006
St. Mary's High School Jersey City, New Jersey	359171	2003	Dec. 22, 2006
St. Patrick School Jersey City, New Jersey	358142	2003	Dec. 22, 2006
Future Generation, Inc. Oradell, New Jersey	357472 358234 357557 357752 359187 358346 359178 359171 358142	2003	Dec. 22, 2006